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CIA Purchased Soviet-Bloc Weapons Bound for Contras in '86, Sources Say

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WASHINGTON — The Central Intelligence Agency last October purchased a shipment of weapons stranded when the private network secretly supplying Nicaraguan insurgents was closed down, intelligence sources said.

The shipment, which included about 358 tons of ammunition, Polish automatic rifles and Polish land mines, originated in Poland and Portugal. It was bound by freighter for the Guatemalan port of Puerto Barrios when a plane ferrying supplies to the rebels, known as Contras, was shot down in early October.

The freighter, Iceland Saga, had set sail across the Atlantic from Cherbourg, France, Sept. 20, but instead of going to Puerto Barrios, it arrived in Wilmington, N.C., on Oct. 8—three days after the plane was downed.

That downing had exposed a secret Contra aid network overseen by former National Security Council aide Lt. Col. Oliver North, who immediately flew to El Salvador to halt the operation.

According to one intelligence source, Col. North prevailed upon William Casey, who then was director of the CIA, to buy the weapons and thereby help cover the costs to the original buyers in the private supply network. A second intelligence source, also familiar with the CIA pur-

chase, said it remains unclear whether agency personnel knew they were dealing with the private network and may have contracted to purchase the weapons at an earlier date. In either case, sources confirmed the purchase.

The weapons were shipped from Wilmington to a CIA warehouse, where the intelligence agency maintains an inventory of Soviet bloc weapons and other arms to be used in covert operations. It isn't known whether the CIA is still storing the weapons or has forwarded them to the Contras or shipped them to anti-communist rebels in Afghanistan or elsewhere, intelligence sources said.

The arrival of the cargo in Wilmington roughly coincided with the resumption of official U.S. military aid to the Contras under legislation initially approved by Congress last summer. The legislation ended a ban of more than two years on U.S. arms shipments to the Nicaraguan rebels and allowed the CIA a freer hand in aiding the guerrillas.

Shipping records show that before the Iceland Saga picked up the cargo in Cherbourg, the weapons had been delivered to the French port from Poland and Portugal aboard the freighter Erria, which has played a prominent role in the Contra network. The vessel is registered in Panama in the name of Dolmy Business Inc., a Panama City corporation whose officers are also part of a Swiss financial services firm, Cie. des Services Fiduciaires, or CSF.

CSF, in turn, frequently has been retained by businessman Albert Hakim, an associate of retired Air Force Maj. Gen. Richard Secord, who helped to oversee the private Contra network on behalf of Col. North. Thomas Parlow, a Danish shipping agent, has previously claimed to be the Erria's owner, but in recent interviews he has identified Mr. Hakim as having the controlling interest in the vessel.

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